



*Report and Accounts
for year ended
30th June 1997*

the future with confidence.

And finally, I express my sincere gratitude to all our subscribers and sponsors for their financial assistance and encouragement. I am most heartened by the continuing support of the Arts Council and RTE which, together with a committed executive team, allows the Company to face the future with confidence.

During the year, the Company appointed Dietrich Kaegi as Artistic Director. This appointment will commence with the Winter 1997 season of *The Merry Widow* and *Eugene Onegin*. On behalf of the board of directors I wish Mr. Kaegi every success in his endeavours on our behalf.

During the year, the Company appointed Dietrich Kaegi as Artistic Director. This appointment will commence with the Winter 1997 season of *The Merry Widow* and *Eugene Onegin*. On behalf of the board of directors I wish Mr. Kaegi every success in his endeavours on our behalf.

Developments Fund increased by £64,305, thereby almost wiping out the operating shortfall for the year.

However the financial results for the year were much less satisfactory. The annual accounts show an operating deficit of £71,631. This deficit was caused by a combination of a shortfall in sponsorship income coupled with some over-runs on expenditure which were unavoidable if we were to maintain high standards of production. However, on a more positive note, the

average occupancy of 94% being recorded for the year.

Of the five productions, four were new i.e. created specifically for Dublin with one, *L'elisir d'amore* being subsequently sold to the Royal Opera, Copenhagen. The year's presentations received high critical acclaim. Robert Hartford, writing in *Opera Now* said of the Spring Season; "precipitous casting, excellent preparation and a huge input of musical ability took Opera Ireland anywhere".

For the year ended 30th June 1997, Opera Ireland presented *La Boheme*, *L'elisir d'amore*, *The*

REPORT & ACCOUNTS

Year Ended 30 June 1997

SECTION 1

DIRECTORS REPORT

The directors submit their report and financial statements for the Year Ended 30 June 1997.

PRINCIPAL ACTIVITIES AND FINANCIAL SUMMARY:

There were two operatic seasons in the year under review, incorporating four productions over nineteen performances at the Gaiety Theatre. In addition the Company presented five performances of a co-production with RTE in the National Concert Hall. An operating deficit of IR£71,631 was recorded for the year, resulting mainly from a temporary decrease in sponsorship income. The Board of Directors are confident that the Company can generate adequate income to support the planned activities for the year ahead.

A Capital Reserve Fund of IR£139,305 has been accumulated through significant contributions from our sponsors and a corresponding input by the Arts Council. The purpose of the Fund is to address the accumulated deficit which the Board are determined to eliminate over the coming years. This Capital Reserve Fund has been assigned towards a reduction in the accumulated deficit as at 30 June 1997.

There have been no significant events effecting the company since the period end.

STATEMENT OF DIRECTORS RESPONSIBILITIES:

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of its results for that period. In preparing these financial statements, suitable accounting policies have been used and applied consistently, and reasonable and prudent judgements have been made. Financial statements are prepared on the going concern basis unless it is inappropriate to presume that the company will continue in business. Applicable accounting standards have been followed. The directors are responsible for maintaining adequate accounting records and for safeguarding the assets of the company.

HEALTH & SAFETY OF EMPLOYEES:

It is the Company's policy to maintain a safe and healthy working environment and the requirements of the Safety Health and Welfare Act, 1989 are kept under review.

AUDITORS:

The auditors Leonard & Company have indicated their willingness to continue in office in accordance with Section 160(2) Companies Act 1963.

The Accounts were approved by the Board of Directors on 23 September 1997 and were signed on its behalf by -

Frank O'Rourke - Director

Adrian Burke - Director

prepared in accordance with the Companies Acts 1963 to 1990.
In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 1997 and of its results for the period then ended and have been properly

OPINION

adequacy of the presentation of information in the financial statements.
caused by fraud, irregularity or error. In forming our opinion we also evaluated the overall reasonable assurance that the financial statements are free from material misstatement, whether which we considered necessary in order to provide us with sufficient evidence to give We planned and performed our audit so as to obtain all the information and explanations

applied and adequately disclosed.
whether the accounting policies are appropriate to the company's circumstances, consistently and judgements made by the directors in the preparation of the financial statements, and of disclosures in the financial statements. It also includes an assessment of the significant estimates Board. An audit includes examining, on a test basis, of evidence relevant to the amounts and We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices

BASIS OF OPINION

audit, on those statements and to report our opinion to you.
financial statements. It is our responsibility to form an independent opinion, based on our As described in Section I the company's directors are responsible for the preparation of

RESPONSIBILITIES OF DIRECTORS AND AUDITORS

the historical cost convention and on the basis of the accounting policies set out in Section V.
we have audited the financial statements on Sections III to VI which have been prepared under

(A Company Limited by Guarantee and not having a Share Capital)

TO THE MEMBERS OF DUBLIN GRAND OPERA SOCIETY CO.

AUDITORS REPORT -

ACCOUNTS YEAR ENDED 30 JUNE 1997 SECTION II
Dublin Grand Opera Society Company
(A Company Limited by Guarantee and not having a Share Capital)
IRELAND
OPERA

Dublin Grand Opera Society Company

(A Company Limited by Guarantee and not having a Share Capital)



The Accounts shows a reduced accumulated deficit of IR£152,968 at 30 June 1997. The Balance Sheet on Section IV reveals an excess of liabilities over assets but the financial statements have nevertheless been prepared on the Going Concern Basis. The Directors have assured us that adequate ongoing support from the Arts Council and the Sponsors will enable the company to continue to trade.

We have obtained all the information and explanations we consider necessary for the purpose of our audit. In our opinion proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

In our opinion, the information given in the director's report on Section I is consistent with the financial statements.

4 Lower Dundrum Road,

Dublin 14.

24 September 1997

LEONARD & COMPANY

Chartered Certified Accountants

Registered Auditors.

Dublin Grand Opera Society Company

PROFIT AND LOSS ACCOUNT

Year Ended 30 June 1997

| NOTES | 12 Mths 1997 | 12 Mths 1996 | IR£ | IR£ | NOTES | 404,905 BOX OFFICE RECEIPTS: |
|---|-----------------|-----------------|-----------|------------------------------|-----------|--|
| EXPENDITURE: | | | | | | |
| 427,756 People Related Costs (Schedule 1) | 465,867 | 459,960 | 404,437 | 183,183 | 1,120,134 | 1,015,376 Administration Costs (Schedule 3) |
| 427,756 People Related Costs (Schedule 1) | 465,867 | 459,960 | 404,437 | 183,183 | 1,120,134 | 1,015,376 Administration Costs (Schedule 3) |
| OPERATING DEFICIT: | | | | | | 617,970 OTHER INCOME: (Schedule 4) |
| 7,499 NET SURPLUS / (DEFICIT) RETAINED | (71,631) | (699,669) | (610,470) | | | 617,970 OTHER INCOME: (Schedule 4) |
| ACCUMULATED DEFICIT AT YEAR END | | | (228,141) | Openning Accumulated Deficit | (220,642) | 139,305 Credit from Capital Reserve |
| (220,642) | | | (228,141) | Openning Accumulated Deficit | (220,642) | 139,305 Credit from Capital Reserve |
| (220,642) | | | (220,642) | Opening Accumulated Deficit | (220,642) | (152,968) Accumulated Deficit |

Approved by the Board of Directors on 23 September 1997 and signed on its behalf by:

Directors.

Adrian Burke

Frank O'Rourke

Dublin Grand Opera Society Company

(A Company Limited by Guarantee and not having a Share Capital)


**BALANCE SHEET
as at 30 June 1997**
SECTION IV

| 30.6.'96 | | NOTES | 30.6.'97 |
|----------------------------|------------------------------------|-------|------------------|
| IR£ | | | IR£ |
| 10,302 | TANGIBLE FIXED ASSETS | 5 | 24,586 |
| CURRENT ASSETS | | | |
| 68,194 | Cash on Hand | | 97,766 |
| 21,249 | Debtors & Prepayments | | 11,706 |
| Nil | Arts Council - Grant Balance Due | | 75,000 |
| 89,443 | | | <u>184,472</u> |
| CURRENT LIABILITIES | | | |
| 10,063 | Bank Overdraft | | 117,795 |
| 47,424 | Creditors & Accruals | | 52,132 |
| 12,900 | Arts Council - Loan | 6 | 9,899 |
| 175,000 | Arts Council - Deferred Grant | 6 | 175,000 |
| 245,387 | | | <u>354,826</u> |
| (155,944) | NET CURRENT LIABILITIES | | <u>(170,354)</u> |
| (145,642) | TOTAL NET LIABILITIES | | <u>(145,768)</u> |
| REPRESENTED BY : | | | |
| - | ARTS COUNCIL DEFERRED GRANT | | 7,200 |
| (220,642) | ACCUMULATED DEFICIT | | (152,968) |
| 75,000 | CAPITAL RESERVE FUND | 4 | Nil |
| (145,642) | | | <u>(145,768)</u> |

Approved by the Board of Directors on 23 September 1997 and signed on its behalf by:

Frank O'Rourke**Adrian Burke***Directors.*

(f) Basis of cash received for the period.

(e) Patrons, Friends and Sponsors contributions and subscriptions are accounted for on the basis of cash received under the appropriate cost heading.

(d) Where Sponsors have contributed goods and services other than in cash, the value of such sponsorship has been treated as sponsorship income with a corresponding amount allocated under the expense cost heading.

(c) Expenses in respect of Costumes, Scenery, Sets and Props is written off fully in the year in which the expenditure is incurred, notwithstanding that they may be retained for the enduring benefit of the company.

(b) Revenue grants receivable from the Arts Council are treated as deferred income. Annual capital grants receivable from the Arts Council are treated as deferred income. Amortisation of assets on a basis consistent with the depreciation policy.

(a) The attached Accounts are prepared under the historical cost convention.

ACCOUNTING POLICIES

NOTES TO THE FINANCIAL STATEMENTS

Dublin Grand Opera Society Company

Year Ended 30 June 1997

SECTION V

A Company Limited by Guarantee and not having a Share Capital)

OPERA IRELAND

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 30 June 1997

SECTION VI

NOTE 1: COMPANIES (AMENDMENT) ACT 1986

The company is limited by guarantee without a share capital. In the opinion of the directors the Company is exempt from the provisions of the Companies (Amendment) Act 1986 under Section 2(i)(a) of that Act. The Accounts are therefore not presented in the format prescribed by that Act.

NOTE 2: SURPLUS/(DEFICIT)

The surplus/(deficit) for the period has been arrived at after charging:-

| 1996 | | 1997 |
|----------------|--|----------------|
| 12 Mths | | 12 Mths |
| IR£ | | IR£ |

| | | |
|-------|---|-------|
| Nil | Directors Emoluments | Nil |
| 7,099 | Depreciation (net of amortised capital grant) | 8,191 |
| 2,178 | Auditors Remuneration | 2,178 |

and after crediting:

| | | |
|---------|---|---------|
| 350,000 | Arts Council Revenue Grants (Note 6) | 370,000 |
|---------|---|---------|

NOTE 3: TAXATION

No liability to Corporation Tax arises.

NOTE 4: CAPITAL RESERVE FUND

A capital reserve fund has been established to address the deficit carried forward from previous years. Specific contributions of IR£139,305 have been received to date for this purpose. The directors resolved to assign this reserve as at 30 June 1997 towards a reduction in the Accumulated Deficits

| | IR£ |
|--------------------------------------|----------------|
| Capital Reserve as at 30 June 1996 | 75,000 |
| Increase in contributions - 1996/97 | 64,305 |
| | <u>139,305</u> |
| Less Transfer to Accumulated Deficit | (139,305) |
| Capital Reserve as at 30 June 1997 | Nil |

NOTE 8: APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors on 23 September 1997.

The Company Limited by Guarantee cannot exceed IR£1.

The Company is limited by guarantee and does not have Share Capital. The liability of each member cannot exceed IR£1.

NOTE 7: CAPITAL

The loan from the Arts Council is interest free.

organisation.

The Directors are confident that the Arts Council will continue its support to the company for 1998. This support is essential for the ongoing viability of the company.

These grants may be repayable in certain circumstances.

June 1997. A further £35,000 (1996: £35,000) was credited to Capital Reserves.

IR£350,000) and a capital grant of £9,000 (1996: Nil) in respect of the year to 30 June 1997.

The Company received Arts Council Revenue grant aid of IR£370,000 (1996:

NOTE 6: ARTS COUNCIL

| COST: | Furniture & Equipment | IR£ | Total | IR£ | Furniture & Equipment | IR£ | Total | IR£ | NET BOOK VALUE | NET BOOK VALUE | 30.06.1996 |
|------------------|-----------------------|--------|--------|-------|-----------------------|--------|--------|--------|----------------|-------------------|------------|
| As at 01.07.1996 | 12,500 | 31,485 | 43,985 | 6,000 | 18,275 | 24,275 | 18,500 | 49,760 | 68,260 | 12,500 | 33,683 |
| Disposals | | | | | | | | | | At 01.07.1996 | 43,991 |
| At 30.06.1997 | | | | | | | | | | Chargé for Period | 29,974 |
| | | | | | | | | | | As at 30.06.1997 | 13,700 |
| DEPRECIATION: | | | | | | | | | | | 43,674 |
| | | | | | | | | | | | 4,800 |
| NET BOOK VALUE | | | | | | | | | | | 30.06.1997 |
| | | | | | | | | | | | 19,786 |
| NET BOOK VALUE | | | | | | | | | | | 24,586 |
| | | | | | | | | | | | |

NOTE 5: TANGIBLE FIXED ASSETS

Year Ended 30 June 1997

NOTES TO THE FINANCIAL STATEMENTS

FINANCIAL STATEMENTS**Year Ended 30 June 1997****SECTION VII****SCHEDULE 1: PEOPLE RELATED COSTS**

| | 1996 12 Mths IR£ | 1997 12 Mths IR£ |
|-----------------|---|---|
| 191, 974 | Artistes | 203, 567 |
| 700 | Audition Costs | 2, 747 |
| | Conductors, Producers/Designers & | |
| 75, 805 | Repetiteurs | 88, 218 |
| 53, 305 | Orchestra | 66, 206 |
| 25, 754 | Production & Stage Managers | 30, 460 |
| 14, 646 | Travel-Artistes | 16,146 |
| 63, 433 | Accommodation - Artistes | 49, 026 |
| 2,139 | Ballet | 5, 740 |
| - | Recruitment Costs | 3,757 |
| <u>427, 756</u> | | <u>465, 867</u> |

SCHEDULE 2: PRODUCTION RELATED COSTS

| | 1996 12 Mths IR£ | 1997 12 Mths IR£ |
|----------------|---|---|
| 186,512 | Theatre Hire & Related Costs | 182, 023 |
| 12,201 | Rehearsal Room Rent & Related Costs | 8,097 |
| 27,243 | Costumes & Wardrobe | 57,977 |
| 88,558 | Scenery Sets & Props | 121, 004 |
| 1,575 | Royalties & Music Hire | 6,404 |
| - | Surtitle Operating Costs | 3, 261 |
| 23,269 | Freight & Storage | 23,845 |
| 10,154 | Entertainment | 9,110 |
| 49, 062 | Publicity & Promotion | 46, 511 |
| 5,863 | Production Sundries | 1, 728 |
| <u>404,437</u> | | <u>459,960</u> |

SECTION VII

FINANCIAL STATEMENTS

Year Ended 30 June 1997

Dublin Grand Opera Society Company



(A Company Limited by Guarantee and not having a Share Capital)

SCHEDULE 3: ADMINISTRATION COSTS

| 1996 | 12 Mths | 1997 | 1996 | 12 Mths | 1997 |
|--------|---------|--------|---------------------------------|---------|-----------------------|
| 10,596 | IR£ | 12,205 | Postage & Telephone | 11,393 | Printing & Stationery |
| 12,205 | IR£ | 11,815 | Bank Interest & Charges | 6,789 | 4,088 |
| 12,205 | IR£ | 12,205 | Credit Card Commission | 2,616 | 2,285 |
| 12,205 | IR£ | 12,205 | Office Equipment Leasing | 11,089 | 11,780 |
| 12,205 | IR£ | 12,205 | Professional Fees | 23,894 | 18,152 |
| 12,205 | IR£ | 12,205 | Insurance | 9,258 | 13,487 |
| 12,205 | IR£ | 12,205 | Office Rent & Expenses | 15,275 | 19,673 |
| 12,205 | IR£ | 12,205 | Salaries, Fees & Expenses | 78,425 | 83,805 |
| 12,205 | IR£ | 12,205 | Depreciation | 3,613 | 8,191 |
| 12,205 | IR£ | 12,205 | Surplus on Fixed Asset Disposal | (1,000) | 7,099 |
| 12,205 | IR£ | 12,205 | Fundraising Costs | 6,613 | 4,136 |
| 12,205 | IR£ | 12,205 | Other Income | 194,307 | 183,183 |
| 12,205 | IR£ | 12,205 | Other Income | 350,000 | 1996 |
| 12,205 | IR£ | 12,205 | Arts Council Grant | 370,000 | 12 Mths |
| 12,205 | IR£ | 12,205 | Sale of Sets | 14,399 | 1997 |
| 12,205 | IR£ | 12,205 | Patrons & Friends Subscriptions | 38,662 | 3,840 |
| 12,205 | IR£ | 12,205 | Members Public Appeal Fund | 3,810 | 15,581 |
| 12,205 | IR£ | 12,205 | Brochure Profits | 17,860 | 2,910 |
| 12,205 | IR£ | 12,205 | Donation from Ladies Committee | 8,150 | 201,523 |
| 12,205 | IR£ | 12,205 | Sponsors | 175,157 | 1,632 |
| 12,205 | IR£ | 12,205 | Commissions from Opera Tours | 628,038 | 617,970 |

SCHEDULE 4: OTHER INCOME

| 1996 | 12 Mths | 1997 | 1996 | 12 Mths | 1997 |
|---------|---------|---------|---------------------------------|---------|---------|
| 350,000 | IR£ | 370,000 | Arts Council Grant | 370,000 | 12 Mths |
| 350,000 | IR£ | 370,000 | Sale of Sets | 14,399 | 1997 |
| 350,000 | IR£ | 370,000 | Patrons & Friends Subscriptions | 38,662 | 42,484 |
| 350,000 | IR£ | 370,000 | Members Public Appeal Fund | 3,810 | 3,840 |
| 350,000 | IR£ | 370,000 | Brochure Profits | 17,860 | 15,581 |
| 350,000 | IR£ | 370,000 | Donation from Ladies Committee | 8,150 | 2,910 |
| 350,000 | IR£ | 370,000 | Sponsors | 175,157 | 201,523 |
| 350,000 | IR£ | 370,000 | Commissions from Opera Tours | 628,038 | 617,970 |